

Docket  
222FEDERAL COMMUNICATIONS COMMISSION  
WASHINGTON, D.C. 20554

IN REPLY REFER TO:

CN9303973

RECEIVED

OCT 21 1993

FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF THE SECRETARY

Mr. Gary Dale Davis, Sr.  
Manager  
Armstrong Telephone Company  
122 South Queen Street  
Rising Sun, MD 21911

92-253

Dear Mr. Davis:

This responds to your letter of September 8, 1993, addressing the 2 GHz Personal Communications Services (PCS) proceeding, GEN Docket No. 90-314. Senator Barbara Mikulski has forwarded your correspondence to the Commission for its consideration of your concerns regarding a PCS licensing structure that permits licensing of small and rural telephone systems under an auction regime.

On September 23, 1993, the Commission adopted final rules to govern PCS as well as a Notice of Proposed Rule Making seeking comment on auction rules that would be used to select PCS licensees. The Commission allocated a total of 120 megahertz of spectrum for licensed PCS and permitted telephone companies without cellular interests to aggregate up to 40 megahertz of this spectrum (the maximum authorized any licensee). Telephone companies with cellular interests will be restricted to 10 megahertz in a PCS service area in which they own twenty or more percent of a cellular company, if the cellular company serves 10 or more percent of the population of the PCS service area. Local exchange carriers are permitted to apply for PCS licenses on the same basis as other applicants, except insofar as they hold interests in cellular operations.

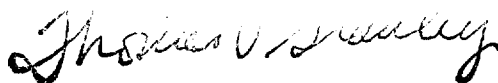
The Commission adopted 492 local service areas based on Basic Trading Areas (BTAs) and 51 regional service areas based on Major Trading Areas (MTAs). The 120 megahertz is divided into two 30 megahertz MTA blocks, one 20 megahertz BTA block, and four 10 megahertz BTA blocks. The Commission's licensing scheme will result in from three to seven licensees in each area, depending on aggregation in the auction process. In a companion Notice of Proposed Rule Making, PP Docket No. 93-253, the Commission proposed licensing preferences in one 20 megahertz and one 10 megahertz frequency block for rural telephone companies, small businesses, and businesses owned by minorities and women.

Mr. Dale Davis, Sr.

2.

The Commission's decisions addressing PCS are designed to foster competition among PCS providers and between PCS providers and cellular radio operators and to ensure expeditious provision of PCS in both urban and rural areas. I am attaching the press releases for the dockets addressed above that more fully describe the Commission's actions.

Sincerely,

A handwritten signature in cursive script, appearing to read "Thomas P. Stanley".

Thomas P. Stanley  
Chief Engineer

Enclosures

BARBARA A. MIKULSKI  
MARYLAND

OKT  
90-314  
SUITE 320  
HART SENATE OFFICE BUILDING  
WASHINGTON, DC 20510

(202) 224-4654  
TDD: (202) 224-5223

## United States Senate

WASHINGTON, D.C. 20510

September 29, 1993

3973

Ms. Lauren J. Belzin  
Federal Communication Commission  
1919 M Street, N.W.  
Washington, DC 20554

Dear Ms. Belzin:

Because of the desire of this office to be responsive to all inquiries and communications, your consideration of the attached correspondence from Mr. Gary Dale Davis, Sr. is requested. Please respond directly to Mr. Davis and send a copy to Chip Paucek of my staff.

Thank you for your assistance.

Sincerely,



Barbara A. Mikulski  
United States Senator

BAM:cjp  
Enclosure



# ARMSTRONG TELEPHONE COMPANY

122 SOUTH QUEEN STREET • RISING SUN, MARYLAND 21911 • (410) 658-5511 • FAX (410) 658-4777

September 8, 1993

The Honorable Barbara Mikulski  
387 Russell Building  
Washington, DC 20510

Dear Senator Mikulski:

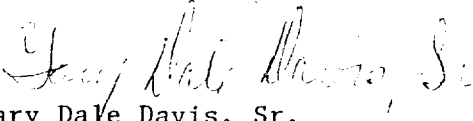
I am writing to ask you to contact Federal Communications Commission Chairman James H. Quello and Commissioners Andrew C. Barrett and Ervin S. Duggan strongly encouraging them to fully achieve the objectives of the recently-passed budget reconciliation law by ensuring that small and rural telephone systems are able to provide new services, such as PCS, under an auction regime.

The budget reconciliation law requires the FCC to ensure new technologies are rapidly deployed in rural areas. It also requires that licenses be distributed to a wide variety of applicants, including rural telephone companies.

Small and rural telephone systems are best situated to assure new services and technologies reach rural subscribers. They have a proven track record of delivering state-of-the-art technologies to their subscribers in rural America. Please urge the FCC to ensure that we can continue to do so.

• Sincerely,

ARMSTRONG TELEPHONE COMPANY

  
Gary Dale Davis, Sr.  
Manager

GDDsr:djw